



**BOARD OF DIRECTORS
SAN LORENZO VALLEY WATER
DISTRICT
REGULAR MEETING
MINUTES
DECEMBER 15, 2022**

Thursday, December 15, 2022, at 5:30 p.m., via videoconference and teleconference.
Open Session begins at 6:30 p.m.

1. Special Order of the Day

a. **OATH OF OFFICE**

G. Nicholls explained the reason that this item is first on the agenda.

J. Ackemann, B. Fultz, J. Hill, and M. Smolley repeated the Oath.

2. Convene Meeting 5:30 p.m.

Roll Call

Board Members Present:

Gail Mahood, President
Jayme Ackemann, Vice President
Bob Fultz, Director
Jeff Hill, Director
Mark Smolley, Director

Staff Present:

Rick Rogers, District Manager
Gina Nicholls, District Counsel
Holly Hossack, District Secretary

3. Additions and Deletions to Closed Session Agenda:

R. Rogers requested that item 5b be removed from the Closed Sessions agenda.
He requested that the item be moved to a January 2023 meeting.

4. Oral Communications Regarding Items in Closed Session: None

5. Adjournment to Closed Session: 5:35 p.m.

6. Re-Convene Meeting 6:31 p.m.

Roll Call

Board Members Present:

Gail Mahood, President
Jayme Ackemann, Vice President

Bob Fultz, Director
Jeff Hill, Director
Mark Smolley, Director

Staff Present:

Rick Rogers, District Manager
Gina Nicholls, District Counsel
Holly Hossack, District Secretary
Josh Wolff, District Engineer
Kendra Reed, Director of Finance & Business Services
Carly Blanchard, Enviro Programs Manager & Admin Analyst
James Furtado, Director of Operations

7. Report of Actions Taken in Closed Session: None

8. Additions and Deletions: None

9. Oral Communications:

J. Ackemann said that she would have to leave the meeting early.

10. President's Report

The Santa Margarita Groundwater Agency submitted a \$2.6 million grant proposal to the Department of Water Resources for implementing projects in the Groundwater Sustainability Plan.

She took this time to say that she has been honored to preside over these Board meetings for the last 2 years and she thanked staff, especially Gina Nicholls, for getting her up to speed and helping her understand her role. She expressed her optimism for the upcoming term.

11. Unfinished Business: None

12. New Business:

a. ELECTION OF OFFICERS

G. Mahood said that she will entertain nominations for President and Vice President.

J. Ackemann nominated M. Smolley for President. The nomination was seconded.

M. Smolley agreed to serve if elected.

A. Layng said that she agrees that M. Smolley is a wonderful leader.

President Smolley was elected by unanimous vote.

Pres. Smolley nominated J. Hill for Vice President. The nomination was seconded.

J. Hill accepted the nomination.

Vice President Smolley was elected by unanimous vote.

b. FY2021-22 ANNUAL COMPREHENSIVE FINANCIAL REPORT
K. Reed introduces and explained this item.

J. Abadesco presented the Audited Statement.

Discussion by the Board, presenter, and staff regarding:

- Net position increase
- Operating margins-adding a table
- Pension liability/outstanding liability
- Water sales went down 10%/very low water usage
- Volumetric v. fixed charge rates
- Financial highlights FEMA grant amounts

A motion was made and seconded to review, receive, and approve the report for Fiscal year 2021-2022.

G. Nicholls interjected instructions to the Board Pres. regarding public comment.

C. Dzenzel questioned water losses.

J. Furtado said that water losses are due to flushing and leaks.

B. Holloway questioned a Certificate of Participation percentages.

J. Abadesco explained the agreement.

R. Rogers thanked K. Reed for her work on this, her first audit as Director of Finance.

B. Fultz reminded the Board and the community that the top line number for operating revenue has the CZU surcharge bundled into it but it can only be used for CZU recovery. He questioned the operating expenses.

The motion passed unanimously.

c. COMMITTEE APPOINTMENTS FOR PUBLIC APPLICANTS 2023
R. Rogers introduced this item and read from the memo.

G. Nicholls explained that it is typical to allow the applicants that are present at the meeting to address the Board. Also, she suggested ways to vote on this item. It is important to clarify how many members will be on each committee.

M. Dolson introduced himself and described his history with the District.

A. Layng introduced herself and described her experience and the fact that she is a 3 year veteran on a committee.

A motion was made and seconded to appoint each applicant to their first choice for committee:

Amanda DeJesus & Mark Dolson to the Admin Committee with 4 members;
James Bahn, Monica Martinez & Jim Mosher to the B & F Committee with 5 members; and

Alina Layng, Michael Murphy & Kevin O'Connor to the E & E Committee with 5 members.

M.Lee supported the motion.

The Board thanked the committee members for their participation,.

The motion passed unanimously.

- d. PEER REVIEW OF CROSS COUNTRY PIPELINE
CONSTRUCTABILITY STUDY
J. Wolff introduced this item.

Jayme Ackemann left the meeting at 7:49 p.m.

Discussion by the Board and staff regarding:

- The Committee forwarded this to the Board
- This is a Peer Review with augmentation but similar to the F & L study
- Previous report underestimated the amount of maintenance needed for the benches-slope stability
- The environmental damage and cost of burying pipe is prohibitive
- Proceed in steps and move forward
- Steep slopes and choke points and the need to get pipeline past those areas
- Other expert's input with probable costs
- Wait for RFQ on the EIR
- Goal to have Peavine online and above ground by this summer
- 5 Mile will be a much lengthier project
- Scope, outline, outreach, timeline is needed
- FEMA payments for different pipeline
- Possibility of burying Peavine pipe and not 5 Mile

A motion was made and seconded to accept the Haro Kasunich and Associates Peer Review report and approve the staff moving forward with 4 of the next steps listed in the memo; prepare the RFP for the survey of the pipe alignment, prepare the opinion of the probable cost options, review option 3b with Freyer & Laureta and Haro Kasunich with a revised opinion of

probable cost, and present the above information to the committee, but not the RFQ for the EIR at this point.

A. Layng, E & E Committee, said that she started out believing that the pipe should be buried but through everything that has been presented she has changed her opinion and now believes that we need to get our surface water back online and rest our wells. The environmental impact and the costs of burying the pipe is too great. Water to fight the fires is needed.

M. Lee would like to consider the hybrid approach. Base the decision on analysis of cost & engineering.

C. Dzendzel said that she appreciated Alina's statement and thanked everyone of all of the thought they are putting in to this.

Discussion with the Board and staff continued regarding the language in the report.

The motion passed with four in favor and J. Ackemann absent.

e. BLUE RIDGE TANK REPLACEMENT - INTITAL STUDY-MITIGATED
NEGATIVE DECLARATION

C. Blanchard introduced and explained this item.

Discussion by the Board and staff regarding:

- Tank site (the diagram has been repaired)
- Comments in public review period
- Signer on the document
- 1 Biologist for the survey
- "Errors" on document have been corrected

A motion was made and seconded to adopt the IS-MND.

The motion passed with four in favor and J. Ackemann absent.

13. **Consent Agenda:**

b. ANNUAL DISCLOSURE REPORT OF CAPACITY CHARGES
FY 2021-2022 - Approved

Pulled from the Consent Agenda

13. a. BOARD OF DIRECTORS MEETING MINUTES 12.1.22

B. Fultz requested addition to Leak Adjustment:

Staff stated they were changing the Leak Adjustment appeal process to include, owners not tenants.

The motion to add the sentence was made and seconded.

The motion passed with four in favor and J. Ackemann absent.

14. District Reports:

No action will be taken and discussion may be limited at the Chairperson's discretion. The District encourages that questions be submitted in writing (bod@slvwd.com) on items listed in the District Reports. Questions submitted, if any, will be posted in the next available District Reports, along with a reply.

- **DISTRICT MANAGERS REPORT**

R. Rogers reported that the District is 100% on surface water at this time.

- **DEPARTMENT STATUS REPORTS**

Discussion by Board and staff regarding:

- Fall Creek Ladder Pre-bid meeting attendance
- Lyon Slide Road replacement cost, FEMA
- Quail Hollow - complete
- Redwood Tank pipe RFP
- Electronic form for report
- Report to collection agency
- Well elevation reports
- Invoices for Bracken Brae & Forest Springs from Sandis

M. Lee commented on the Finance report. He suggested the District explore higher yields.

15. Written Communication:

- Letter to the Board - D. Loewen
 - B. Fultz commented on the letter
 - G. Mahood responded to the letter

16. Informational Material: None

17. Re-Adjourn to Closed Session: 9:10 p.m.

J. Ackemann rejoined the meeting at 9:19 p.m.

18. Re-Convene to Open Session: 10:01 p.m.

19. Report of Actions Taken in Closed Session: None

20. Adjournment: 10:01 p.m.